## **Introduced by Assembly Member Liu**

February 16, 2005

An act to amend Sections 76300 and 76370 of the Education Code, relating to community colleges.

## LEGISLATIVE COUNSEL'S DIGEST

AB 473, as introduced, Liu. Community colleges: student fees.

(1) Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law also authorizes the establishment of community college districts, and further authorizes the operation, by these districts, of community college campuses that offer instructional services throughout the state. Existing law requires the governing board of each community college district to charge each student a fee of \$26 per unit per semester, effective with the fall term of the 2004-05 academic year.

This bill would provide that the \$26 per unit per semester student fee would continue in the 2005-06 and 2006-07 academic years. The bill would require that, commencing with the 2007-08 academic year, the board of governors would bear the primary responsibility for adjusting the mandatory systemwide fees that each community college district is required to charge.

The bill would require the board of governors to discuss, and act upon, any proposed changes in student fees by no later than each November 30 in order for those fees to take effect in the academic term commencing on July 1 of the following calendar year. The bill would require the Office of the Chancellor of the California Community Colleges and the various campuses to notify students of

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the proposed changes in student fees. To the extent that this requirement would impose new duties on community college districts, it would create a state-mandated local program.

The bill would authorize a community college district governing board to require community college students to pay an additional enrollment fee beyond the level mandated by the board of governors pursuant to the bill. The bill would require that any revenue generated by the additional enrollment fee would remain with the district to be used for district priorities in providing instructional services to students. The bill would require that any additional enrollment fee established pursuant to the bill be adopted by action of the district governing board at a public meeting held at least 6 months prior to the implementation of that additional enrollment fee.

(2) Existing law authorizes community college districts to charge persons a fee to audit a community college course. Existing law requires that an auditing fee may not exceed \$15 per unit per semester.

This bill would instead require that an auditing fee not exceed 150% of the per unit student fee charged students who enroll in the course for credit.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:* 

- 1 SECTION 1. Section 76300 of the Education Code is 2 amended to read:
- 3 76300. (a) (1) The governing board of each community
- 4 college district shall charge each student a fee pursuant to this
- 5 section.
- 6 <del>(b) (1)</del>

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(2) The fee prescribed by this section shall be eighteen dollars (\$18) per unit per semester, effective with the fall term of the 2003–04 academic year.

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(3) Notwithstanding paragraph—(1) (2), the fee prescribed by this section shall be twenty-six dollars (\$26) per unit per semester, effective with the fall term of the 2004—05 academic year, and continuing in the 2005-06 and 2006-07 academic years.

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- (4) The chancellor shall proportionately adjust the amount of the fee for term lengths based upon a quarter system, and also shall proportionately adjust the amount of the fee for summer sessions, intersessions, and other short-term courses. In making these adjustments, the chancellor may round the per unit fee and the per term or per session fee to the nearest dollar.
- (b) (1) Commencing with the 2007-08 academic year, the board of governors shall bear the primary responsibility for adjusting mandatory systemwide resident student fees that each community college district shall charge students pursuant to this section.
- (2) To carry out the responsibilities of this section, the board of governors shall develop a rational and transparent methodology for adjusting mandatory systemwide resident student fees that are consistent with the student fee principles set forth in paragraphs (3), (4), and (5). These methodologies shall be developed in consultation with appropriate student representatives through student fee advisory committees and, once developed, shall be formally adopted by the board of governors in open public meetings.
- (3) The board of governors shall discuss, and act upon, any proposed changes in student fees by no later than each November 30 in order for these fees to take effect in the academic term commencing after July 1 of the following calendar year. Following the action of the board of governors, the office of the Chancellor of the California Community Colleges and the campuses shall employ appropriate procedures to notify students of the proposed changes in student fees. The Legislature finds and declares that the advance notification

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required by this paragraph will enable students and their families to better plan financially.

- (4) It is the intent of the Legislature that all of the following occur:
- (A) The State of California should maintain its primary responsibility to fund the predominant share of the cost of public community college education in California.
- (B) So that students and their families can better prepare financially for college expenses, any changes in resident student fees should be gradual, moderate, and predictable.
- (C) Community college student fees should not be increased by more than 10 percent in any academic year.
- (D) Annually, except in fiscal emergencies, the student fee amount should be adjusted by the annual changes in statewide per capital personal income as compiled by the Department of Finance.
- (E) Students attending the campuses of the California Community Colleges should pay student fees that do not exceed 15 percent of the overall cost of education at the community college.
- (5) The governing board of a district maintaining a community college may require community college students to pay an additional enrollment fee beyond the level mandated by the board of governors. Any revenue generated by an additional enrollment fee shall remain with the district to be used for district priorities in providing instructional services to students. Student fee charges established pursuant to this paragraph shall be adopted through action taken by the governing board of the community college district at a public meeting held at least six months prior to the implementation of the additional enrollment fee.
- (c) For the purposes of computing apportionments to community college districts pursuant to Section 84750, the chancellor shall subtract, from the total revenue owed to each district, 98 percent of the revenues received by districts from charging a fee pursuant to this section.
- (d) The chancellor shall reduce apportionments by up to 10 percent to any district that does not collect the fees prescribed by this section.

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(e) The fee requirement does not apply to any of the following:

- (1) Students enrolled in the noncredit courses designated by Section 84757.
- (2) California State University or University of California students enrolled in remedial classes provided by a community college district on a campus of the University of California or a campus of the California State University, for whom the district claims an attendance apportionment pursuant to an agreement between the district and the California State University or the University of California.
- (3) Students enrolled in credit contract education courses pursuant to Section 78021, if the entire cost of the course, including administrative costs, is paid by the public or private agency, corporation, or association with which the district is contracting and if these students are not included in the calculation of the full-time equivalent students (FTES) of that district.
- (f) The governing board of a community college district may exempt special part-time students admitted pursuant to Section 76001 from the fee requirement.
- (g) (1) The fee requirements of this section shall be waived for any student who, at the time of enrollment, is a recipient of benefits under the Temporary Assistance to Needy Families program, the Supplemental Security Income/State Supplementary Program, or a general assistance program or has demonstrated financial need in accordance with the methodology set forth in federal law or regulation for determining the expected family contribution of students seeking financial aid.
- (2) The governing board of a community college district also shall waive the fee requirements of this section for any student who demonstrates eligibility according to income standards established by the board of governors and contained in Section 58620 of Title 5 of the California Code of Regulations.
- (h) The fee requirements of this section shall be waived for any student who, at the time of enrollment is a dependent, or surviving spouse who has not remarried, of any member of the California National Guard who, in the line of duty and while in the active service of the state, was killed, died of a disability resulting from an event that occurred while in the active service

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of the state, or is permanently disabled as a result of an event that occurred while in the active service of the state. "Active service of the state," for the purposes of this subdivision, refers to a member of the California National Guard activated pursuant to Section 146 of the Military and Veterans Code.

- (i) The fee requirements of this section shall be waived for any student who is the surviving spouse or the child, natural or adopted, of a deceased person who met all of the requirements of Section 68120.
- (j) The fee requirements of this section shall be waived for any student in an undergraduate program, including a student who has previously graduated from another undergraduate or graduate program, who is the dependent of any individual killed in the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon or the crash of United Airlines Flight 93 in southwestern Pennsylvania, if that dependent meets the financial need requirements set forth in Section 69432.7 for the Cal Grant A Program and either of the following apply:
- (1) The dependent was a resident of California on September 11, 2001.
- (2) The individual killed in the attacks was a resident of California on September 11, 2001.
- (k) A determination of whether a person is a resident of California on September 11, 2001, for purposes of subdivision (j) shall be based on the criteria set forth in Chapter 1 (commencing with Section 68000) of Part 41 for determining nonresident and resident tuition.
- (*l*) (1) "Dependent," for purposes of subdivision (j), is a person who, because of his or her relationship to an individual killed as a result of injuries sustained during the terrorist attacks of September 11, 2001, qualifies for compensation under the federal September 11th Victim Compensation Fund of 2001 (Title IV (commencing with Section 401) of Public Law 107-42).
- (2) A dependent who is the surviving spouse of an individual killed in terrorist attacks of September 11, 2001, is entitled to the waivers provided in this section until January 1, 2013.
- 37 (3) A dependent who is the surviving child, natural or adopted, 38 of an individual killed in the terrorist attacks of September 11, 39 2001, is entitled to the waivers under subdivision (j) until that 40 person attains the age of 30 years.

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(4) A dependent of an individual killed in the terrorist attacks of September 11, 2001, who is determined to be eligible by the California Victim Compensation and Government Claims Board, is also entitled to the waivers provided in this section until January 1, 2013.

- (m) (1) It is the intent of the Legislature that sufficient funds be provided to support the provision of a fee waiver for every student who demonstrates eligibility pursuant to subdivisions (g) to (j), inclusive.
- (2) From funds provided in the annual Budget Act, the board of governors shall allocate to community college districts, pursuant to this subdivision, an amount equal to 2 percent of the fees waived pursuant to subdivisions (g) to (j), inclusive. From funds provided in the annual Budget Act, the board of governors shall allocate to community college districts, pursuant to this subdivision, an amount equal to ninety-one cents (\$0.91) per credit unit waived pursuant to subdivisions (g) to (j), inclusive, for determination of financial need and delivery of student financial aid services, on the basis of the number of students for whom fees are waived. Funds allocated to a community college district for determination of financial need and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 1992–93 fiscal year.
- (n) The board of governors shall adopt regulations implementing this section.
- SEC. 2. Section 76370 of the Education Code is amended to read:
- 76370. The governing board of a community college district may authorize a person to audit a community college course, and may charge that person a fee pursuant to this section.
- (a) (1) If a fee for auditing is charged, it shall not exceed fifteen dollars (\$15) 150 percent of the per unit per semester student fee charged students enrolling in the course for credit.

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(2) The governing board shall proportionately adjust the amount of the fee for term lengths based upon a quarter system or other alternative system approved pursuant to regulations of the board of governors, and shall also proportionately adjust the amount of the fee for summer sessions, intersessions, and other

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short-term courses. In making these adjustments, the governing board may round the per unit fee and the per term or per session fee to the nearest dollar.

- (b) Students enrolled in classes to receive credit for 10 or more semester credit units shall not be charged a fee to audit three or fewer semester units per semester.
- (c) No student auditing a course shall be permitted to change his or her enrollment in that course to receive credit for the course.
- (d) Priority in class enrollment shall be given to students desiring to take the course for credit towards a degree or certificate.
- (e) Classroom attendance of students auditing a course shall not be included in computing the apportionment due a community college district.
- SEC. 3. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.